DETROIT INTERMODAL FREIGHT TERMINAL PROJECT

Draft Public Meeting Notes March 31, 2004

Corktown Area – CP/Expressway Terminal

I.B.E.W. Headquarters 1358 Abbott Street

Purpose:

To brief the public, during both public forum and presentation-question/answer

sessions, on the progress made on the Detroit Intermodal Freight Terminal Project in the areas of: terminal layout/size; preliminary traffic analysis results;

social/cultural effects evaluation process; economic impacts; and, air quality.

Attendance: See attachment.

Discussion:

Following the open forum session (which lasted from 4:30 to 6:30 p.m.), Bob Parsons of MDOT

welcomed everyone to the meeting. He indicated that the presentation-question/answer session

would last from 6:30 and 8:30 p.m. He noted that the presentation would take about 45 minutes

with the remaining time left for the public to ask its questions/make comments.

Bob Parsons noted that both Arabic and Spanish translators were available. Each translator

asked those in attendance if they needed special assistance. No assistance was requested.

Bob Parsons indicated that following the presentation, those who wished to speak should

complete a form and submit it to him so he could call each person in the order in which forms

were received.

Bob Parsons introduced Mohammed Alghurabi, MDOT's project manager on the Detroit

Intermodal Freight Terminal Project. He also introduced Joe Corradino, the consultant project

manager on the DIFT Project. Joe Corradino made a presentation using slides of many of the

graphics that were posted on the walls in the meeting room. He covered the following issues:

1) What is intermodal:

2) The purpose and goal of the DIFT Project;

3) The alternatives being considered;

4) The location/size of each terminal;

5) The social/cultural data available and a request for input from any member of the audience;

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6) The preliminary traffic analysis results;

Preliminary for Discussion Purposes Only

- 7) The preliminary air quality analysis results;
- 8) The preliminary economic impact analysis results;
- 9) A description of Alternative 4: The Composite Option; and,
- 10) The updated project schedule accounting for the introduction of Alternative 4.

Questions and Comments

Following the presentation, Bob Parsons reminded those in attendance that a card should be completed if they wished to speak. Speakers were then called to ask questions/make comments.

Q: Why are more jobs created with Alternative 2 than with Alternative 3?

R: First, Alternative 3 (Consolidate) is expected to invest more money, by a factor of two, than Alternative 2 (Improve/Expand). Secondly, the efficiencies of the consolidated terminal will stimulate an increase in intermodal traffic (the number of lifts) for Alternative 3 that exceed Alternative 2 by about 50 percent. Both these factors then stimulate the economy and create a ripple-wave effect that produces more jobs for Alternative 3 than Alternative 2.

C: The co-chair of the Communities for a Better Rail Alternative (Karen Kavanaugh) commended MDOT's DIFT Project Team on the development of Alternative 4: The Composite Option. She indicated that it reduces the acres required for the terminal. She stated that the buffer on the north side of the terminal is positive. Likewise, the improved routing of trucks to the terminal is considered positive. She concluded that more work needs to be done but, nevertheless, the work to date reflects that MDOT is listening to the community's concerns.

On the economic analysis, she indicated that the question to be answered is: What part of the economic stimulus would be available to Detroit and Dearborn?

R: The MDOT Project Team appreciates the compliment on being a "good listener." On the economic issue, attempts will be made to separate the economic impacts for the City of Detroit. It is likely that further segregation of economic data to smaller cities will not be done. Nevertheless, information now is available that indicates the degree to which property tax revenues could be lost around each of the terminals as a result of expansion. Additionally, the tax collections of the local jurisdiction (Wayne County plus southern Oakland County) are also

defined in the data available at the meeting. Finally, it is noted that the jobs that the economic analysis indicate would be relocated from the Livernois-Junction Yard terminal area are valued at about \$20,000 per year. Those jobs are forecast to be replaced and exceeded in number by new jobs with an average pay of \$35,000 per year.

C: The head of the Mexicantown Community Development Corporation (Maria Elena Rodriguez) complimented the MDOT DIFT Project Team on developing Alternative 4: The Composite Option. She indicated that it addresses a number of views espoused by the community.

R: The MDOT DIFT Project Team appreciates the compliment. It should be known that, in addition to the physical aspects of the terminal, the consultant believes that additional work can be done to ensure that a portion of the jobs, both during construction of the terminal(s), and the permanent jobs that follow, are specifically designated for the local community.

Q: Will the job skills required for the new project be such that they will not be available to local residents?

R: In order to prepare the local residents for jobs during and following construction, job training should be considered as part of the project. Many jobs available through developing and operating the DIFT will be good-paying jobs that require training but will not require a college education/degree.

C: A member of the DIFT Local Advisory Council (Father Joe Redican) indicated, in response to the issue of local jobs, that both CSX and NS are making efforts to hire people from the local community.

Q: On the air quality analysis, how conservative are the forecasts?

R: The modeling work used the best available information and, if a range of data were available to define a pollution impact, the "least impact" factor was <u>not used</u>. As a result, it is believed that the air quality analysis represents a sound assessment of the expected conditions.

Q: Most jobs for construction of the terminals will eventually end. What is then available to the local communities?

R: The model used to conduct the analysis indicates that if Alternative 3 (Consolidate) were chosen, over 1,300 new, permanent jobs (i.e., after terminal construction) would be available in the area around the Livernois-Junction Yard.

The regional economic model indicates that of the 5,600 permanent jobs forecast by 2025 under Alternative 3 (Consolidate), approximately 3,000 would be in Wayne County/southern Oakland County. Of the total 5,600 jobs, about 15 percent are expected to be in manufacturing; the others are expected to be in logistics, services, and other industries.

The results of the DIFT economic analysis were compared with analyses conducted for comparable intermodal terminal proposals. The results indicate that the DIFT analysis is conservative (not optimistic) in its projections.

C: The jobs that may be available in Wayne/southern Oakland Counties should be directed to benefit local residents.

R: Surely. The City of Detroit would benefit from an economic development strategy that feeds off of the investment at these terminals and the ripple-wave effect of development around the terminals. Such a strategy, which is often adopted in other areas with comparable projects, will ensure the local benefits are maximized.

Q: Why were the original forecasts of trucks for the consolidated intermodal terminal (16,000 truck trips per day: 8,000 in and 8,000 out of the consolidated terminal) reduced to 5,000 truck trips a day (2,500 in and 2,500 out of the Consolidated terminal)?

R: The forecasts used in the DIFT Feasibility Study indicated that truck activity would be 16,000 per day. Now that an Environmental Impact Statement is being prepared, a more-thorough analysis is needed. In turn, a commodity-flow model was produced. Also, data from over five dozen North American intermodal terminals on the relationship of truck activities to the movement of containers/trailers were reviewed. The result is that the lift forecast for the

Consolidated terminal in 2025 was reduced from 2,000,000 per year to 1,150,000 per year; and, the trucks were reduced from a ratio of 3 per lift to 1.5 per lift. These adjustments produce a total of 5,000 truck trips per day in 2025 (2,500 into the terminal/2,500 out).

C: I grew up in the area and my children were raised and educated but moved from the area. She wants the healthy area so that young children can remain like hers.

Q: Was the forecast for 100 trucks per day at the Livernois-Junction Yard?

R: No. The presentation indicated that there are 100 trucks today using the CP/Expressway terminal at the site of the Michigan Central Depot. That would increase to about 250 trucks per day, if the terminal were expanded. If the Livernois-Junction Yard were expanded, but intermodal were <u>not</u> consolidated there, the number of trucks would be about 2,300 per day. If all regional intermodal activity were consolidated at the Livernois-Junction Yard, the number of truck trips per day would reach 5,000 (2,500 in and 2,500 out) per day.

Q: Was the increased truck traffic taken into consideration in developing a maintenance program for the roads?

R: The maintenance of the roads as the terminals develop will be the responsibility of MDOT or local governments through programs separate from the DIFT.

Q: Will there be a sharing of equipment among the railroads at the terminal to increase efficiency?

R: The railroad companies have indicated that they will not share equipment. Under Alternative 3, when all four railroads consolidate their intermodal activity in one location, it is forecast that over four dozen train movements per day will occur. This will allow shippers of freight to consider the intermodal terminal like a traveler considers an airport terminal, i.e., a single place with multiple choices of service, provided on a frequent basis, which stimulate efficiencies through cost competition and other factors.

C: The railroads at Livernois-Junction Yard should be made to pave the yard on their own and

now.

R: The railroads have indicated that they will not pave the yard without government assistance.

C: Regardless of the forecast of the economic model, the speaker indicated that he did not

believe, based on his personal unemployment situation, that there would be jobs from the

intermodal developments.

R: That position is not consistent with the development of intermodal terminals in comparable

situations outside of Michigan or in the southeast Michigan region.

C: The indications by the MDOT Project Team are that increased efficiencies of intermodal will

create jobs. However, big companies create efficiencies by eliminating good union jobs.

R: An improved intermodal situation will make the transportation of products less costly. The

ripple-wave effect of a more-efficient transportation system will produce more jobs in all sectors

of the economy.

C: The speaker wants Detroit to be a residential area, not an industrial area.

R: Every area in which an intermodal terminal is located in southeast Michigan is a mix of

industrial and residential uses. The issue is how that relationship becomes productive for both

the residential and business communities.

Q: Will this project be tied to a port along the Detroit River?

R: The DIFT Project is not related to a water port.

Q: Is the port being developed in Escanaba, Michigan, for intermodal containers?

R: No. It is for raw products such as iron ore.

Q: Will the Ambassador Bridge trucks be in the DIFT area?

R: Bridge traffic should not be wandering through the area around the Livernois-Junction Yard

as a result of improvements that are planned to be made to better connect the bridge to the

interstate highway system.

C: The speaker lives on Cabot near the terminal and asked when houses would be taken.

R: A final decision on the number of houses to be acquired is some time off in the future, if

there is a government project to improve the Livernois-Junction Yard. The original plan talked

about acquiring about 80 homes. The most recent option, Alternative 4: The Composite Option,

lowers that number to 13.

Q: Who negotiates with homeowners for the purchase of their property?

R: MDOT will have its representatives, who are skilled in land acquisition/relocation matters,

work with homeowners. Fair market value must be provided for each house. Additionally, the

state must pay for relocation and other costs associated with a move.

With that, the formal question/comment session ended at 8:30 p.m. Bob Parsons thanked

everyone for attending and indicated the MDOT DIFT Project Team would remain for

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additional, informal conversation.

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Attendance

Name Address City Zip